

## VERMONT EMPLOYMENT GROWTH INCENTIVE (VEGI)

### INITIAL VS. FINAL APPLICATION

Formal approval of VEGI incentives can occur in two phases: Initial and Final. Both are formal applications requiring approval by the VEPC Board and occur **after** an informal Pre-Application is filed and a Pre-Application Estimate is provided.

The performance targets of this program are very strict. Therefore, it is extremely important that the job, payroll and capital investment projections included in the application is as accurate as possible. The Council may approve an Initial Application if the But For and most Program Guidelines are met, and approve an Initial incentive amount based on initial data from the company. This will allow companies the ability to meet the But For when they are at a point of project development that might not include definitive employment, payroll and investment data. If an Initial Application is filed and is given Initial Approval, the applicant must subsequently file a Final Application and get Final Approval of the incentive amount. The applicant sets the targets that must be met to earn an incentive when a Final Application is filed and approved. An applicant may also file a Final Application without filing an Initial Application.

This two-phase approval process can be very helpful for projects that require a determination on the But For before the company can proceed with certain decisions, such as start-ups or plant restarts, or expansions into or relocations to Vermont. Once an Initial Application is filed and a determination is made that the applicant and project meet the But For, the company can proceed with due diligence, make decisions, finalize investment and employment decisions, and then file a Final VEGI Application which sets the payroll, headcount and investment targets that must be met to earn the incentive.

#### **Contact Us:**

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